
District of Columbia Retirement Board

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Table DY0-1

Description	FY 2015	FY 2016	FY 2017	% Change
	Actual	Approved	Proposed	from FY 2016
OPERATING BUDGET	\$0	\$32,301,624	\$39,095,618	21.0
FTEs	0.0	62.6	69.6	11.2

Note: Prior year actuals are not reported for the District of Columbia Retirement Board because the agency does not use the District's financial system for its actual transactions.

The mission of the District of Columbia Retirement Board (DCRB) is to invest prudently the assets of the police officers, firefighters, and teachers of the District of Columbia, while providing those employees with retirement services.

Summary of Services

DCRB is an independent agency that has exclusive authority and discretion to administer the District's retirement funds for teachers, police officers, and firefighters (hereinafter referred to as the "Fund") pursuant to Section 1-711(a) of the District of Columbia Official Code. In 2005, the responsibility of administering the teachers', police officers' and firefighters' retirement programs was transferred to DCRB.

The federal government assumed the District's unfunded liability for the retirement plans of teachers, police officers, firefighters, and judges under provisions of the National Capital Revitalization and Self-Government Improvement Act of 1997. Under this law, the federal government pays the retirement benefits and death benefits, and a share of disability payments, for members for years of service earned up to the freeze date of June 30, 1997. The District of Columbia government is responsible for all subsequently earned benefits for the members of the retirement plans.

The DCRB Board of Trustees is comprised of 12 voting trustees: 3 appointed by the Mayor, 3 appointed by the District Council, and 6 elected by employee participation groups. In addition, the District's Treasurer serves on the Board as an ex-officio member, representing the District's Chief Financial Officer.

The agency's FY 2017 proposed budget is presented in the following tables:

FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table DY0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table DY0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual	Approved	Proposed	Change		Actual	Approved	Proposed	Change	
	FY 2015	FY 2016	FY 2017	FY 2016	Percentage Change*	FY 2015	FY 2016	FY 2017	FY 2016	Change
ENTERPRISE AND OTHER										
ENTERPRISE AND OTHER FUNDS	0	32,302	39,096	6,794	21.0	0.0	62.6	69.6	7.0	11.2
TOTAL FOR ENTERPRISE AND OTHER	0	32,302	39,096	6,794	21.0	0.0	62.6	69.6	7.0	11.2
GROSS FUNDS	0	32,302	39,096	6,794	21.0	0.0	62.6	69.6	7.0	11.2

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table DY0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

Table DY0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
11 - REGULAR PAY - CONTINUING FULL TIME	0	0	6,172	7,020	848	13.7
13 - ADDITIONAL GROSS PAY	0	0	221	273	52	23.6
14 - FRINGE BENEFITS - CURRENT PERSONNEL	0	0	1,622	1,843	221	13.6
15 - OVERTIME PAY	0	0	51	32	-19	-37.3
SUBTOTAL PERSONAL SERVICES (PS)	0	0	8,066	9,168	1,102	13.7
20 - SUPPLIES AND MATERIALS	0	0	121	117	-5	-4.1
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	0	0	73	74	1	1.5
32 - RENTALS - LAND AND STRUCTURES	0	0	1,679	1,679	0	0.0
34 - SECURITY SERVICES	0	0	18	0	-18	-100.0
40 - OTHER SERVICES AND CHARGES	0	0	20,936	26,330	5,394	25.8
41 - CONTRACTUAL SERVICES - OTHER	0	0	1,200	1,400	200	16.7
70 - EQUIPMENT AND EQUIPMENT RENTAL	0	0	208	328	121	58.2
SUBTOTAL NONPERSONAL SERVICES (NPS)	0	0	24,235	29,928	5,692	23.5
GROSS FUNDS	0	0	32,302	39,096	6,794	21.0

*Percent change is based on whole dollars.

(Change is calculated by whole numbers and numbers may not add up due to rounding)

FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table DY0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table DY0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(3000) DCRB AGENCY MANAGEMENT								
(3001) EXECUTIVE	0	1,704	1,611	-94	0.0	9.0	9.0	0.0
(3002) INVESTMENTS	0	13,010	13,240	230	0.0	6.0	6.0	0.0
(3003) TRUSTEES	0	466	594	127	0.0	0.0	0.0	0.0
(3004) GENERAL COUNSEL	0	1,215	1,572	357	0.0	3.0	4.0	1.0
(3005) BENEFITS	0	2,465	2,952	487	0.0	22.6	26.6	4.0
(3006) OPERATIONS	0	3,649	3,721	72	0.0	11.0	11.0	0.0
(3007) INFORMATION TECHNOLOGY	0	5,423	6,724	1,301	0.0	10.0	12.0	2.0
(3008) PROJECTS	0	4,370	8,682	4,312	0.0	1.0	1.0	0.0
SUBTOTAL (3000) DCRB AGENCY MANAGEMENT	0	32,302	39,096	6,794	0.0	62.6	69.6	7.0
TOTAL PROPOSED OPERATING BUDGET	0	32,302	39,096	6,794	0.0	62.6	69.6	7.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Program Description

The District of Columbia Retirement Board (DCRB) operates through the following program:

DCRB Agency Management – provides administrative support and the required tools to achieve operational and programmatic results.

This program contains the following 8 activities:

- **Executive** – provides executive direction for all activities to achieve the mission of the agency. Executive activity expenses are paid from two sources: (1) earnings derived from the Fund; and (2) reimbursements from the United States Department of the Treasury (Treasury) for services provided by DCRB for programs for which the federal government is responsible;
- **Investments** – manages all activities and resources dedicated to the investment of the assets of the Fund. Investment activity expenses are paid from the earnings derived from the Fund;
- **Board of Trustees** – determines the overall investment strategy for the Fund and monitors staff implementation of the strategy. The Board of Trustees' activity expenses are paid from the earnings derived from the Fund;
- **General Counsel** – provides legal support to the agency. General Counsel activity expenses are paid from the earnings derived from the Fund;

- **Benefits** – provides administrative services for members and timely and accurate payment of benefits to retirees and survivors. Benefits activity expenses are paid from two sources: (1) earnings derived from the Fund; and (2) reimbursements from the Treasury for services provided by DCRB for programs for which the federal government is responsible;
- **Operations** – provide operational and accounting support. Operations activity expenses are paid from two sources: (1) earnings derived from the Fund; and (2) reimbursements from the Treasury for services provided by DCRB for programs for which the federal government is responsible;
- **Information Technology** – provides technology systems support to achieve programmatic results. Information Technology activity expenses are paid from the earnings derived from the Fund; and
- **Projects** – manages the special projects undertaken by the agency. Projects activity expenses are paid from the earnings derived from the fund.

Program Structure Change

The District of Columbia Retirement Board has no program structure changes in the FY 2017 proposed budget.

FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table DY0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

Table DY0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUNDS: FY 2016 Approved Budget and FTE		32,302	62.6
Increase: To align resources with operational goals	DCRB Agency Management	5,714	0.0
Increase: To support additional FTEs	DCRB Agency Management	1,121	7.0
Increase: To align Fixed Costs with proposed estimates	DCRB Agency Management	1	0.0
Decrease: To streamline operation efficiency	DCRB Agency Management	-5	0.0
Decrease: To align funding with nonpersonal services costs	DCRB Agency Management	-18	0.0
Decrease: To reduce overtime	DCRB Agency Management	-19	0.0
ENTERPRISE AND OTHER FUNDS: FY 2017 Agency Budget Submission		39,096	69.6
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2017 Mayor's Proposed Budget		39,096	69.6
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2017 District's Proposed Budget		39,096	69.6
GROSS FOR DY0 - DISTRICT OF COLUMBIA RETIREMENT BOARD		39,096	69.6

(Change is calculated by whole numbers and numbers may not add up due to rounding)

FY 2017 Proposed Budget Changes

The District of Columbia Retirement Board's (DCRB) proposed FY 2017 gross budget is \$39,095,618, which represents a 21.0 percent increase over its FY 2016 approved gross budget of \$32,301,624. The budget is comprised entirely of Enterprise and Other Funds.

Agency Budget Submission

Increase: The proposed budget includes an increase of \$5,714,300, to support the following: \$5,393,500 for professional services fees associated with the Pension Information Management System (PIMS) and the Data Quality Assurance project for the eventual hosting and maintenance of members' information; \$200,000 to cover DCRB's share of the maintenance expenses for the U.S. Department of Treasury's STAR (System to Administer Retirements); and \$120,800 to support IT software and hardware costs for new system implementations. PIMS is a multi-year project that will require collaboration with other District agencies and other stakeholders and will enable DCRB to provide a full range of retirement services for members including benefit statements, benefit estimates, member self-service, and pension payments. Additionally, personal services costs increased by \$1,120,524 to cover projected salaries and Fringe Benefits for 7.0 new Full-Time Equivalents (FTEs) in the Agency Management program, of which, 4.0 FTEs will support the retirement modernization project, 2.0 FTEs will support member services, and 1.0 FTE will support legal services. Lastly, the increase of \$1,100 is to support additional Telecommunication fixed costs.

Decrease: The proposed budget includes decreases of: \$4,930 in Supplies and Materials due to the removal of duplicate publications and subscriptions; \$18,000 in Security Services to align costs with actual expenses; and \$19,000 in Overtime costs as a result of staff hires in the Benefits department, thereby reducing the need for overtime.

Mayor's Proposed Budget

No Change: The District of Columbia Retirement Board's budget proposal reflects no change from the agency's budget submission to the Mayor's proposed budget.

District's Proposed Budget

No Change: The District of Columbia Retirement Board's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.